## **Introduced by Assembly Member Chau**

February 19, 2016

An act to add Section 17531.3 to the Business and Professions Code, relating to advertising.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2609, as introduced, Chau. Advertising: educational conferences. Existing law prohibits various specified advertising practices, including, among others, a prohibition on an educational travel organization, as defined, from placing or using any misleading or untruthful advertising or statements or making a substantial misrepresentation in conducting an educational travel program. Under existing law, the violation of any of these prohibitions is a misdemeanor.

This bill would require an educational conference organization, as defined, that provides materials related to an educational conference, as defined, directly to a school or school employee for purposes of distribution to a student to include specified disclosures in the materials and to provide the materials in a sealed envelope or other packaging addressed to the parent or legal guardian of the student. The bill would also prohibit the organization from addressing the materials to a student by name or otherwise requesting that materials be provided directly to the student. As a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

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This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) K-12 students are particularly vulnerable to solicitations for educational leadership conferences or forums that may appear to be selective awards or competitive honors, but are in fact sophisticated solicitations, often from for-profit companies.
- (b) While such conferences and forums may have merit as learning experiences for students, it is nevertheless important to ensure that students, parents, and teachers are not misled by these solicitations. The State of California has previously enacted laws regulating educational travel organizations in order to protect students engaged in educational travel.
- (c) Because it is of the utmost importance that the State of California take action to protect students from misleading or false advertising, promote quality in educational travel experiences, encourage public confidence in leadership conferences or forums, and assist organizations soliciting participation in these conferences or forums in complying with safe and reputable practices, it is the intent of the Legislature to establish appropriate disclosure requirements and further restrictions on these solicitations.
- SEC. 2. Section 17531.3 is added to the Business and Professions Code, to read:
- 17531.3. (a) For purposes of this section, the following terms have the following meanings:
- (1) "Educational conference" means a leadership conference, forum, camp, or other similar event, when participation in the event is represented as being limited to students nominated to participate in the event.
- (2) "Educational conference organization" or "organization" means a person, partnership, corporation, or other entity that plans and advertises educational conferences to students residing in the State of California.

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(3) "Student" means a person who is enrolled in elementary or secondary school, grade kindergarten through grade 12, at the time an educational conference is arranged with an educational conference organization.

- (b) An educational conference organization that provides materials related to an educational conference directly to a school or any employee thereof for purposes of distribution to a student shall comply with all of the following:
- (1) The organization shall provide the materials in a sealed envelope or other packaging addressed to the parent or legal guardian of the student.
- (2) The organization shall not address the materials to a student by name or otherwise request that materials be provided directly to the student.
- (3) The organization shall include in the materials all of the following disclosures, in clear and conspicuous language:
- (A) That the materials constitute a solicitation for the sale of a product.
- (B) The legal form of the organization making the solicitation, including whether the organization is a nonprofit or for-profit organization.
- (C) The legal owner, if any, of the organization making the solicitation.
- (D) The specific eligibility criteria required for participation in the solicited educational conference or conferences, if any.
- (E) An itemized list of the costs to participate in the educational conference and the total price of participating in the educational conference, including estimated expenses not included in the price of the educational conference.
- (F) Whether or not a third-party nomination is required to participate in the educational conference, or if an individual may be self-nominated or nominated by a parent or guardian.
- (G) The total amount, if any, of funding or other support, including employment or grants for school supplies, the organization has provided to the student's school or the school's employees during the last three years before the date of the solicitation.
- 38 (H) A phone number, email address, or Internet Web site that 39 a parent or guardian may use to contact a government agency

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within the relevant jurisdiction for purposes of filing a complaint related to the solicitation or solicited educational conference.

3 SEC. 3. No reimbursement is required by this act pursuant to 4 Section 6 of Article XIIIB of the California Constitution because 5 the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

the meaning of Section 6 of Article XIII B of the California 10

11 Constitution.